

HOUSE BILL 154

K2

11r0514

By: **Delegate Krebs**

Introduced and read first time: January 26, 2011

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance – Religious Organizations – Disclosure of**
3 **Exemption from Covered Employment**

4 FOR the purpose of requiring certain employers to give certain notice, through a
5 universal disclosure form, to employees whose employment is not covered
6 employment for purposes of unemployment insurance benefits; requiring certain
7 employers to require certain employees to sign the universal disclosure form;
8 requiring the Department of Labor, Licensing, and Regulation to create the
9 universal disclosure form and post the form on the Department's Web site; and
10 generally relating to disclosure of exemption from covered employment by
11 religious organizations.

12 BY repealing and reenacting, with amendments,
13 Article – Labor and Employment
14 Section 8–208
15 Annotated Code of Maryland
16 (2008 Replacement Volume and 2010 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article – Labor and Employment**

20 8–208.

21 (a) Except as otherwise provided in this subtitle, employment is covered
22 employment if the employment is:

23 (1) performed for a charitable, educational, religious, or other
24 organization; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) excluded from the definition of “employment” in the Federal
2 Unemployment Tax Act solely by § 3306(c)(8) of the Act.

3 (b) Employment is not covered employment if the employment is performed
4 for:

5 (1) a church or an association or convention of churches; or

6 (2) an organization that is:

7 (i) operated primarily for religious purposes; and

8 (ii) controlled, operated, principally supported, or supervised by
9 a church or an association or convention of churches.

10 (c) Employment is not covered employment if the employment is performed
11 by:

12 (1) a commissioned, licensed, or ordained minister of a church in the
13 exercise of the ministry; or

14 (2) a member of a religious order in the exercise of duties required by
15 the order.

16 (d) During any calendar quarter in which the compensation is less than \$50,
17 the employment is not covered employment if it is performed for an organization that
18 is exempt from income tax under:

19 (1) § 501(a) of the Internal Revenue Code unless the organization is
20 described in § 401(a) of the Internal Revenue Code; or

21 (2) § 521 of the Internal Revenue Code.

22 **(E) (1) UNLESS THE EMPLOYER HAS ELECTED TO BE SUBJECT TO**
23 **THIS TITLE UNDER § 8–203 OF THIS SUBTITLE, AN EMPLOYER OF AN EMPLOYEE**
24 **WHOSE EMPLOYMENT IS NOT COVERED EMPLOYMENT UNDER SUBSECTION (B)**
25 **OF THIS SECTION SHALL:**

26 **(I) GIVE NOTICE TO THE EMPLOYEE, THROUGH A**
27 **UNIVERSAL DISCLOSURE FORM, THAT THE EMPLOYMENT IS NOT COVERED**
28 **EMPLOYMENT AND THAT THE EMPLOYEE WILL NOT BE ELIGIBLE FOR**
29 **UNEMPLOYMENT INSURANCE BENEFITS; AND**

30 **(II) REQUIRE THE EMPLOYEE TO SIGN THE UNIVERSAL**
31 **DISCLOSURE FORM.**

1 **(2) THE DEPARTMENT SHALL:**

2 **(I) CREATE A UNIVERSAL DISCLOSURE FORM THAT IS TO BE**
3 **USED BY EMPLOYERS FOR THE PURPOSES SPECIFIED UNDER PARAGRAPH (1) OF**
4 **THIS SUBSECTION; AND**

5 **(II) POST THE UNIVERSAL DISCLOSURE FORM ON THE**
6 **DEPARTMENT'S WEB SITE.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 October 1, 2011.